GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:341
ANSWERED ON:19.11.2007
LABOUR LAWS IN TEXTILES INDUSTRY
Rawale Shri Mohan

Will the Minister of TEXTILES be pleased to state:

(a) whether the existing rigid labour laws are a major constraint for growth of the clothing and apparel segment;

(b) if so, the details thereof;

(c) whether the Textile Ministry's Working Group has called for liberalization of the existing labour laws;

(d) if so, the details thereof alongwith the recommendations made by the said Working Group; and

(e) the action taken by the Government in this regard ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) to (e): Government have recognized a need for restructuring of labour laws to create a productive and productivity-conducive environment to ensure smooth production. The Working Group has recommended that "while the genuine interests of the labour need to be protected, the policy environment and the implementation machinery should induce confidence among the entrepreneurs. The labour law reform would lead to consolidation and merger of the units to achieve economies of scale and become internationally cost competitive in the globalized scenario". Government hold discussions with the stake holders in this regard to reach a consensus. However, no decision could be arrived.